



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 9b

**BRIEFING ITEM**

**Date of Meeting** September 11, 2018

**DATE:** August 9, 2018  
**TO:** Steve Metruck, Executive Director  
**FROM:** Dan Thomas, Chief Financial Officer  
Michael Tong, Asst. Finance Director – Budget  
**SUBJECT:** Q2 2018 Financial Performance Briefing

**EXECUTIVE SUMMARY**

The purpose of this presentation is to provide a status report of the Q2 2018 financial performance results.

**BACKGROUND**

The Port's overall operating revenues for Q2 2018 were \$330.5 million, which is \$12.7 million above budget and \$28.4 million higher than the same period last year. Excluding Aeronautical revenues, which are based on cost recovery and revenue sharing formulas, other operating revenues were \$182.9 million, which is \$9.9 million above budget and also \$8.6 million higher than 2017 levels primarily due to higher revenues from Public Parking, Rental Cars, Airport Dining and Retail, Ground Transportation, Cruise, Recreational Boating, and Conference & Event Centers.

Total operating expenses for first half of 2018 were \$191.6 million, which is \$17.3 million below budget but \$17.5 million higher than 2017. The operating expense variance was largely due to delays in hiring, vacant positions, project delays, and some actual budget savings.

Net operating income before depreciation was \$138.9 million, which is \$30.0 million above budget and \$10.9 million higher than 2017.

Each division will present its results to the Commission. The presentation outline is as follows:

1. Portwide Operating Results
2. Aviation Division Operating Results
3. Maritime Division Operating Results
4. Economic Development Division Operating Results
5. Central Services Operating Results

Meeting Date: September 11, 2018

**ATTACHMENTS TO THIS BRIEFING**

- (1) Q2 2018 Financial and Performance Report
- (2) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None